



Project Matrix

Initiative Vision

Strengthen and diversify Minnesota's forest-based economy and promote the long-term ecological health of the forest resource that supports it.

Initiative Objectives

1. Forested Land Base and Resource

- 1 a. Maintain Minnesota's forest resource base and reduce losses caused by conversion, parcelization, and fragmentation of private lands and disposal of public lands.
- 1 b. Capture and enhance the productivity of Minnesota's forests for forest products and consumption.

2. Forest Management

- 2 a. Establish ecologically-based forest management as the norm in Minnesota.
- 2 b. Increase the number of acres of private woodlands being actively and sustainably managed.
- 2 c. Increase public understanding of forest management and practices and the role they play in ensuring resource health, quality, and productivity for vital communities.

3. Economic Development

- 3 a. Create new products and markets for Minnesota's wood products industry.
- 3 b. Enhance the operating efficiency and economic viability of Minnesota's wood products industry.
- 3 c. Increase the number of acres of private woodland and number of forest products companies under third-party certification.
- 3 d. Increase the capacity of the forest management services sector (ex: logging operators, professional foresters).

Here is an overview of the projects in which Blandin Foundation has invested to date to strengthen and diversify Minnesota’s forest-based economy and promote the long-term ecological health of the forest resource that supports it. For more information about the Vital Forests / Vital Communities Initiative, including copies of all reports referenced below, please visit our website www.blandinfoundation.org.

I: Forested Land Base and Resource		
I a. Maintain Minnesota’s forest resource base and reduce losses from conversion, parcelization and fragmentation		
Project	Description	Status
Minnesota Forest Legacy Partnership for the Itasca County Area	The Foundation awarded \$6.25 million in seed capital and program support to create a fund to purchase conservation easements on up to 75,000 acres of forestland in Itasca Area. Minnesota Department of Natural Resources (DNR) will hold and monitor easements.	<ul style="list-style-type: none"> • Two parcels of land have been identified as candidates for easements: <ul style="list-style-type: none"> ▪ Up to 50,000 acres in Itasca/Koochiching counties owned by Forest Capital Partners. Private and public monies raised in support of the Legacy Partnership will be used to fund this “Littlefork Headwaters easement” at an estimated cost of approximately \$15 million. When completed, this project will be the largest working forest easement in Minnesota’s history. ▪ Over 1700 acres in Itasca County, owned by the Rajala Timber Company. This Rajala Sugar Hills Forest Legacy easement has been recommended by the U.S. Senate for a federal match allocation of \$750,000. Final determination of federal allocations anticipated by late fall 2006. • Additional funds raised to date for the project include \$7.5 million of state dollars and \$1 million in private dollars (Surdna Foundation).
Impact of Land Loss in Minnesota Counties Research Study	Contract to University of Minnesota to support research on the economic, social and ecological impacts of tax forfeited land disposal and retention. Co-funding provided by the Minnesota Association of County Land Commissioners (MACLC).	Research underway, with a final report describing the financial and economic impacts of alternative tax-forfeited forest land (TFFL) policy options to be completed in November 2007. Results will be shared with state, county and local officials.
I b. Capture and enhance the productivity of Minnesota’s forests		
No projects currently underway that advance this objective		

II. Forest Management		
II a. Establish Ecological Classification System-based (ECS) forest management as norm in Minnesota		
Project	Description	Status
Building Forester Capacity in Minnesota	Grant to University of Minnesota Sustainable Forest Education Cooperative to train forest resource managers in the application of Ecological Classification Systems to silvicultural and stewardship planning through field-based training.	The first training group of 19 participants completed the last of six course modules and received their certificates in June. Training groups two and three began in July, and will have completed the first four course modules by the end of August. Participants include professionals from tribal, county, state and industrial land management agencies, and private forest consultants.
II b. Increase the number of acres of private woodlands being actively and sustainably managed		
Project	Description	Status
Taking Care of Family Forests: Lessons for Minnesota	Contract with Cooperative Development Services to identify best practices on landowner and community driven land management models relevant to Minnesota.	Project complete. Findings presented at May 2006 Family Forest Stewardship conference, at which participants adopted goal and identified strategies to increase the number of acres of family forest land with Forest Stewardship Management Plans from 1.3 million today to 2.3 million by 2015.
Reaching Woodland Owners Online Using Information Technology to Promote Private Woodland Stewardship	Contract with University of Minnesota to develop and implement innovative Internet resources to encourage sustainable management of Minnesota's family forest lands.	Project in start-up phase. Advisory committee in place. Web and content development underway. Launch expected fall 2006.
State-wide Conference: Family Forest Stewardship: Getting to the Next Million Acres	<p>Conference participants achieved consensus on a strategic vision and action plan. Action plan includes the following recommendations:</p> <ul style="list-style-type: none"> • Increase family forest land under sustainable management • Establish a Family Forest Initiative Fund of approximately \$2 million (annual) • Revise the Sustainable Forestry Incentive Act (SFIA) • Revamp the <i>ad valorem</i> property tax system's inherent bias to overtax undeveloped land in comparison to developed land with respect to the public services provided to their owners 	VF/VC Advisory Board will facilitate implementation of recommendations. A follow-up conference to review progress on these recommendations is planned for spring 2007.

VFVC Project Matrix

Updated: August 2006

<p>Sustainable Forests Incentive Act (SFIA) Revisions Project: Phase 1</p>	<p>Support for Minnesota Forestry Association (MFA) work to convene an advisory group of stakeholders and technical legal experts to recommend modifications to SFIA and government agencies policies to increase enrollment in SFIA by private landowners.</p>	<p>Report completed March 2006. Results distributed to state legislators, committee staffs, agency officials, and incorporated into Action Plan adopted at May 2006 Family Forest conference.</p>
<p>Sustainable Forests Incentive Act (SFIA) Revisions Project: Phase 2</p>	<p>Contract with University of Minnesota to support research to identify the most and least desirable SFIA enrollment requirements per recommendations by MFA's SFIA advisory group. MFA will use results to finalize recommended modifications to SFIA during the 2007 legislative session.</p>	<p>Research underway. Draft report due December 2006.</p>
<p>Third Party Certification of Private Woodlands</p>	<p>Contract with University of Minnesota to provide recommendations on developing and implementing a system to promote third party certification of private woodlands in Minnesota.</p>	<p>Project complete. Findings presented in Grand Rapids October 2005, and in 2006, informed implementation of LCMR-funded pilot projects in four counties (see below).</p>
<p>Promote third party certification of private woodlands</p>	<p>Based on a proposal coordinated by VF/VC, the University of Minnesota undertook an LCMR-funded project to pilot a certification system in four counties.</p>	<p>Project is supporting efforts by Minnesota Logger Education Program (MLEP) to implement Master Logger Certification in Minnesota. Group certification of forestland owners participating in the state's Forest Stewardship Program is being explored, as is group certification through the Aitkin County Soil and Water Conservation District. Joint certification efforts with nearby states are also being discussed. Forestland owner attitudes and perceptions about forest management, management plans, and certification are being studied. Educational materials that take into account their attitudes and perceptions have been developed and tested, and are moving to a second round of testing.</p>

II c. Increase public understanding of forest management practices		
Project	Description	Status
<p>Video production: <i>The Northern Forest</i> The project builds on video series: <i>Minnesota: A History of the Land</i></p>	<p>Support to Twin Cities Public Television and the University of Minnesota to produce a one hour film for TV and classroom use that will focus on the past, present and future of Minnesota's forests to enhance public awareness and the impact of human choices on the landscape. Themes: how research has led to a better understanding of the ecology of the northern forest; how that has influenced efforts to manage the forest; imperilment of the sustainable management of the forest in the face of rapidly expanding development.</p>	<p>Broadcast is planned for mid-October 2006 on Twin Cities Public Television and other public television stations statewide.</p>
<p>Forestry Reports</p>	<p>The Blandin Foundation commissioned Dovetail Partners to write five reports relevant to VF/VC objectives. Report topics include: working forest easements; ecological classification systems and certification requirements; innovation in family forest certification; opportunities for design and construction innovation in the wood industry; and bio-energy - merging forestry and farming for fuel.</p>	<p>Dovetail Report: February 2006 <u>Conservation Easements to Protect Working Forests</u> by Kathryn Fernholz</p> <p>Dovetail Report: March 2006 <u>Biomass Energy - From Farms to Forests an Emerging Opportunity for Rural America</u> by Dr. Jim Bowyer</p> <p>Dovetail Report: May 2006 <u>Innovation in Family Forest Certification - What's Happening and What's Needed</u> by Kathryn Fernholz</p> <p>Dovetail Report: August 2006 <u>Innovation in Design and Construction – Opportunities for the Wood Industry</u> by Kathryn Fernholz</p>

III. Economic Development		
III a. Create new products & markets for MN's wood products industry		
Project	Description	Status
State-wide Conferences to support wood products manufacturing industry	<ul style="list-style-type: none"> • <i>Building the Capacity of Minnesota's Wood Products Industry:</i> 2004: <i>Creating the Edge for Global Competition and Future Investment</i> 2005: <i>Creating Our Edge</i> 2006: <i>Harnessing Innovation</i> • 2006 Minnesota Wood Products Manufacturing Industry Achievement Awards introduced 	No future conferences planned. Blandin Foundation will seek partners to continue Wood Products Manufacturing Industry Achievement Awards.
Branding and Marketing of Local Wood and Forest-based Products and Manufacturers	Grant to Minnesota Wood Campaign for market research and technical assistance to wood processing businesses to improve marketing practices and brand wood products from northeastern and north central Minnesota.	Brand developed: <i>True North Woods</i> , with membership of 80 companies Project is partnering with Goods from the Woods Major project support also provided by United States Department of Agriculture (USDA) and Iron Range Resources
Goods from the Woods (GFTW)	Annual 'Up North' Marketplace held in Grand Rapids in September, educational workshops on sustainable harvesting and specialty products, and initiatives to increase utilization of forest resources through improved harvest coordination.	Originally a project of the Blandin Foundation, Minnesota Wood Education Project (MWEF) is now managing this initiative, in partnership with others. 5,500 visitors to marketplace in 2005, up 10% from 2004 Fourth annual 'Up North' Marketplace will be held in Grand Rapids September 16-17, 2006

III b. Enhance operating efficiency and economic viability of MN's wood products industry		
Project	Description	Status
Evaluate Minnesota's Timber Harvesting Generic Environmental Impact Statement (GEIS)	Grant to Minnesota DNR to evaluate Minnesota's progress on implementation of the Timber Harvesting GEIS. Goals: study the extent of implementation and accuracy of original GEIS and assess need for updating. Co-funding provided by DNR.	Phases one and two of the study, completed in 2005, concluded that: in general, GEIS projections were fairly accurate; there has been a very high degree of implementation of the GEIS mitigation strategies; and, that several important information needs identified in the GEIS remain to be addressed. Phase three is expected to be completed by the end of 2006. Its focus is on developing recommendations for more fully assessing the cumulative environmental impacts of timber harvesting and forest management activity within the context of economic development proposals and associated environmental review processes.
Professional logger training	Grant to Minnesota Logger Education Program (MLEP) to develop and deliver advanced professional curriculum for loggers, including courses addressing state-of-the art forest mgmt concepts and technologies.	Curriculum development transitioned into design and development of a "Master Logger" certification program for the state of Minnesota. The first cohort of loggers is being recruited for an initial round of training.
Forest professional training	Grant to Itasca & Vermilion Community Colleges (ICC & VCC) to develop curriculum to train & educate natural resource planners, managers and logging operators to create and implement land management plans.	A Stewardship Plan Writing certificate program is being implemented for recent graduates of ICC and VCC's two-year forestry degree programs.
Primary Forest Products Industry Investment Study	Grant to the Port Authority of Duluth to study the feasibility of a centralized clay and pigment handling and intermodal distribution facility at the Port of Duluth. Additional funding for the study was contributed by the Duluth Seaway Port Authority, Minnesota Power, and four major local paper mills.	Study findings indicate an opportunity for savings to the regional pulp and paper industry from the establishment of such a facility. The Port Authority is pursuing opportunities to attract potential investors.

III c. Increase # of acres of NIPF land and number of forest products companies under third-party certification		
Project	Description	Status
Certification of County Lands	Facilitated a collaborative project to prepare six counties to become third party certified. Participating counties: Becker, Beltrami, Carlton, Clearwater, Crow Wing, Koochiching.	The group of counties has requested proposals from certification audit firms and is in the process of proposal review. A selected firm will then need to be confirmed by the six individual county boards.
See II b. — Third Party Certification of Private Woodlands		
See II b. — Promote third party certification of private woodlands		
III d. Increase the capacity of the forest management services sector		
See III b. — Professional Logger Training		
See III b. — Forest Professional Training		